



MICHIGAN HEALTH & HOSPITAL ASSOCIATION

Linking patients, communities, and providers together for better health.

TO: Members of the Senate Health Policy Committee

FROM: Brian Peters, Senior Vice President, Advocacy

DATE: August 17, 2006

SUBJECT: **SB 1357: Public Act 47 Hospitals – Clarification of Services**
MHA Position: SUPPORT

The Michigan Health & Hospital Association asks you to approve language in SB 1357 to clarify the ability of a few hospitals specially organized under a particular public act (PA 47 of 1945) to offer the same broad array of community health services as other hospitals within the state.

Michigan has over 140 nonprofit community hospitals. Many of these hospitals are operated by private organizations, such as religious-based systems, etc. Others are authorized by various municipalities such as counties, cities or townships under a variety of charters and state legislative acts. Five small community hospitals in Michigan are governed by Public Act 47 of 1945. **These hospitals and the communities they serve are pleased to continue their mutual relationship under PA 47 but seek changes in the Act to clarify the hospitals' ability to offer beneficial community health services if approved by the municipality and the hospital.**

When PA 47 was enacted in 1945, nobody envisioned the broad array of services presently available to patients and communities through their local hospitals. SB 1357 would expand the definition of a hospital service to include care for the elderly through a long-term care facility, assisted living facility, home for the aged, and senior citizen housing facility. It would also clarify that a hospital could provide a health and wellness facility. All of these services are widely offered by other hospitals throughout the state to meet the needs of the communities they serve.

For these reasons, we urge your support of SB 1357 and thank the bill's sponsors, Senators McManus, Kuipers, Allen, Brown, Birkholz, Goschka, and Hammerstrom for addressing this need. As health care broadens to include hospitals taking larger roles in supporting healthy communities, PA 47 hospitals need to be able to provide the same services as other hospitals within the state. Please contact Amy Barkholz (abarkholz@mha.org) at 517-703-8616 at the MHA if you have any questions.


SPENCER JOHNSON, PRESIDENT

Hospitals Organized Under PA 47 of 1945

Kalkaska Memorial Health Center
Kalkaska, MI

Lake View Community Hospital
Paw Paw, MI

Mackinac Straits Hospital and Health Center
St. Ignace, MI

South Haven Community Hospital
South Haven, MI

Three Rivers Hospital
Three Rivers, MI



701 S. Health Parkway
Three Rivers, MI 49093-9362
269.278.1145 **Phone**
269.273.9611 **Fax**
www.threerivershealth.org

August 29, 2006

Senator Michelle McManus
PO Box 30036
Lansing, MI 48909-7536

Re: Act 47

On behalf of Three Rivers Health and the communities we serve here in St. Joseph County, I commend you for your efforts in introducing the amendment to Act 47. Although there are only five Act 47 hospitals in the state, they are located in mainly rural areas where the population is deemed underserved.

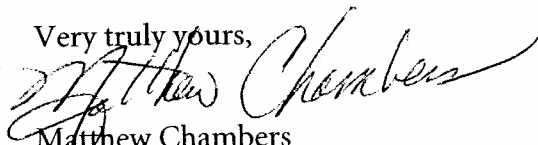
Each of these hospitals is of vital importance to their community, not only in providing healthcare, but by offering employment opportunities at every level and improving the economic climate county-wide.

The face of healthcare continues to change as hospitals are asked to expand their roles in their communities by offering new services and partner with other organizations to improve the health of their citizens through primary care and wellness initiatives.

The bill that you are sponsoring will allow Michigan's Act 47 hospitals to participate in additional activities that they are now barred from. Please contact our State Senator, Cameron Brown and enlist his aid in supporting this bill.

If I may be of any assistance in this matter, do not hesitate to contact me.

Very truly yours,


Matthew Chambers
President/CEO

Cc: Senator Cameron Brown
Representative Rick Shaffer



408 HAZEN STREET • P.O. BOX 209 • PAW PAW, MICHIGAN 49079-0209 • 269-657-3141 • FAX 269-657-1339

August 8, 2006

State Senator Michelle McManus
Michigan Senate
P.O. Box 30036
Lansing, MI 48909-7536

Dear Michelle:

I am writing to express support for Senate Bill 1357, which would amend Act 47 to allow Authority hospitals greater latitude in providing patient care. Amendment of Section 1 (MCL 331.1) to include care of the elderly through long-term care facilities, assisted living facilities, homes for the aged, senior citizen housing and health and wellness facilities would significantly enhance the ability of Act 47 hospitals to meet the growing healthcare needs of the elderly. It is my understanding that Michigan's five Act 47 hospitals, the Michigan Township Association and Michigan Health & Hospital Association support this legislation.

It is important to note that Act 47 hospitals are fundamental to the economic health of their communities. Besides being an essential healthcare resource, LakeView is one of Van Buren County's largest employers. With some 700 employees and an annual budget of \$61 million, LakeView generates an estimated economic impact of more than \$150 million each year. Senate Bill 1357 would strengthen the financial viability of Act 47 hospitals by allowing a broader array of services, in turn generating a greater economic impact within their communities.

Passage of Senate Bill 1357 is vital to Act 47 hospitals taking on a larger role in fostering healthy communities. Thank you, Michelle, for your support of this legislation.

Sincerely,

Sally Berglin
Interim President and CEO

c: Senator Tom George
Representative Tonya Schuitmaker
James Austin, Administrator, Kalkaska Memorial Health Center
Jeff Johnson, Vice President of Human Resources and Community Services



KALKASKA MEMORIAL HEALTH CENTER

August 29, 2006

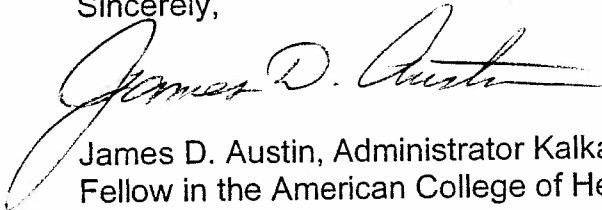
Senator Michelle McManus

Thank you for introducing an amendment to Act 47 (Senate Bill 1357) that will provide greater latitude to Act 47 hospitals and will allow the five Act 47 hospitals in the State to be involved in a broader array of services in their communities than ever before. The Hospital Board of Directors would like for you and other Legislators to know the following two points:

1. Each Act 47 Hospital is a vital economic force in their own community and is necessary to economic development in each of its communities.
2. As health care broadens to include hospitals taking larger roles in supporting healthy communities, Act 47 hospitals need to be able to provide healthy community services that other hospitals in the State are already doing as part of their array of services. This bill will allow this broader role.

Act 47 was originally enacted in 1945 to enable communities to provide for meeting area health care needs. As science and technology has changed over the last 60 years, the way hospitals serve their communities in addressing sickness and injury has expanded to also creating healthy communities. These changes in this amendment will help the remaining five Act 47 hospitals in the State in meeting their original mission in "today's world". Thank you and your fellow legislators for considering our community's needs.

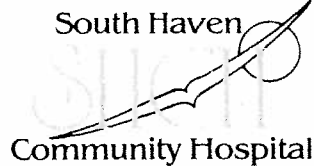
Sincerely,



James D. Austin, Administrator Kalkaska Memorial Health Center
Fellow in the American College of Healthcare Executives

Attachment: Senate Bill 1357

cc: Paul Shirilla, Government Relations
Dave Finkbeiner, MHA
Other Act 47 Hospitals



The Best Care
Right Here

August 24, 2006

Senator Michelle McManus
906 Farnum Building
PO Box 30036
Lansing, MI 48909-7536

Dear Senator McManus:

The purpose of this letter is to show the support of South Haven Community Hospital and the communities we serve for the proposed amendments to Public Act to Act 47 as outlined in Senate Bill 1357. South Haven Community Hospital has provided needed healthcare services to our area for over 100 years and 45 of those years have been as a Public Act 47 Hospital.

We employ approximately 300 community members and spend in excess of \$25 million each year, thus making us a vital economic force in our community. In addition, over 30% of the patients we serve are on Medicaid or have no health insurance, making us a key safety net for providing needed healthcare services.

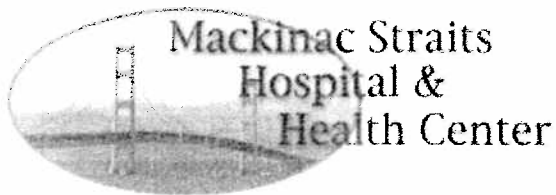
In order to continue to meet the needs of our community, we need to be able to provide the same types of services that other Michigan hospitals provide. Senate Bill 1357 will enable us to do this and fulfill our mission to improve the health of our communities.

Thank you for your support of this Amendment and Public Act 47 Hospitals. If you have any questions or if I can assist you, please contact me at 269-639-2810.

Sincerely,

Craig J. Marks
President/CEO
South Haven Community Hospital

cc: Senator Ron Jelinek
Representative Tonya Schuitmaker



August 31, 2006

State Senator Michelle McManus
Michigan State
P.O. Box 30036
Lansing, MI 48909-7536

Dear Senator McManus:

I am writing a letter of support on behalf of Mackinac Straits Hospital and Health Center to allow hospital authorities greater latitude in providing patient care. Senate Bill 1357 will assist authority hospitals in continuing and expanding services for the communities we serve. Mackinac Straits Hospital has been a health care provider since 1954 and has proudly provided services to the residents of the Straits areas for over 50 years.

Over the last six years, we have expanded health care to the residents of Bois Blanc Island, Naubinway and assisted Mackinac Island in the building of a new medical center. Our Renal Dialysis serves residents of Mackinac, Cheboygan and Emmet County as well as visitors to our area. Our Long Term Care facility is highly cherished by the community. In 2002 we received the Governor's Quality Award. Our hospital has been the recipient of the 2004 Governor's Quality Award and just received word that we will be the recipient of the 2005 Governor's Quality Award again in October, 2006.

We whole heartedly endorse the Senate Bill 1357 and request your support and assistance in the passing of this important legislation.

Sincerely,

A handwritten signature in cursive script that reads "Rodney M. Nelson".

Rodney M. Nelson, CEO

pc: Representative Gary McDowell
Senator Jason Allen
David Finkbeiner, MHA, Senior Director, Legislative Issues
Jim Austin, Administrator – Kalkaska Memorial Hospital Center

"The Healthcare Jewel of the Straits"

220 Burdette Street | St. Ignace, MI 49781 | 906.643.8585

Fax Numbers: Hospital 906.643.0373 | Clinic - 906.643-6188 | Long Term Care - 906.643.8047 | Medical Building - 906.643.0464

Mackinac Island Medical Center Phone 906 847 6490